

# **FY 2002 ANNUAL REPORT**

**USAID/TANZANIA**

**March 4, 2002**

The attached results information is from the FY 2002 Annual Report for Tanzania and was assembled and analyzed by USAID/Tanzania.

The Annual Report is a “pre-decisional” USAID document and does not reflect results of USAID budgetary reviews. Additional information on the attached can be obtained from Carrie Johnson, AFR/DP.

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## **Please Note:**

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## **FY 2002 Annual Report Outline**

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**Annual Report Part III: FY 2001 Performance Narrative**

## **Strategic Objective 1: Increased Use of Family Planning, Maternal and Child Health and HIV/AIDS preventive Measures**

**Key Achievements:** The Health SO met expectations for the year and has contributed to USAID Global Health Objective 4. It has had direct impacts on the fight against HIV/AIDS in Tanzania. USAID played a crucial role in promoting the vastly improved policy and political environment, including establishment of the Tanzania Commission for AIDS (TACAIDS), approval of the National AIDS Policy, and formation of the Tanzania Parliamentarian AIDS Coalition (TAPAC). For the first time, there is strong political commitment and the institutional structure to undertake a united national multi-sectoral response against the pandemic. Stakeholders in the fight against AIDS represent the breadth of Tanzanian society -- government, community groups, Non-governmental Organizations (NGOs), faith-based groups as well as the private sector.

In conjunction with facilitating the improved policy environment, USAID also supported key components of the national HIV/AIDS program. One of these is the launch of "*Ishi*" (Swahili for life)-- the first ever multi-media campaign directed at young people (ages 15-24) and a major breakthrough for Tanzania. Data indicate that 60% of new infections occur in this age group. The first phase of the campaign informs young people about their risk of contracting HIV. The message is: "Wait or use a condom." The Prime Minister boldly underlined this message at the formal "*Ishi*" launch in Dar es Salaam to promote young peoples' sexual health and condom use. In the initial days of the campaign, 80,000 young people attended "*Ishi*"- sponsored local events such as soccer matches, concerts, and local theatre. The campaign has received such positive publicity that a wide variety of organizations are lining up to provide support for expansion to other regions. For example, Ireland AID has contributed additional funds and the Anglican Church is running the campaign in two regions. In addition, a unique partnership has developed between private sector media and marketing organizations and TACAIDS to develop follow-on activities and communication strategies.

A second key component is improved access to HIV voluntary counseling and testing (VCT) services. USAID -- working jointly with the Government of Japan -- helped to build a partnership with AMREF (African Medical and Research Foundation) Tanzania, Tanzanian NGOs and the Ministry of Health (MOH) to expand VCT sites nationwide and to establish the first national training and information center for VCT in Tanzania. As part of this new program, AMREF Tanzania strengthened an existing site where the number of people counseled and tested for HIV more than doubled in 2001, from 4,252 to 9,396. This rate of increase confirms the tremendous demand for expansion of quality VCT services. Current plans are to develop a total of 15 VCT sites over the next two years, each treating 10,000 people a year, to reach a total of 150,000 a year. To provide well-trained staff for the expanding number of sites, the training center has developed the new national curriculum and provides training in counseling and testing procedures, and quality assurance for VCT. VCT sites treat patients ages 15-49.

Efforts to scale up the response to HIV/AIDS have been hampered by chronic shortages of essential commodities such as condoms, HIV test kits, drugs to treat sexually transmitted infections (STIs) and laboratory reagents. USAID took the initiative to develop a partnership with the Government of Japan and the MOH to analyze and begin to solve the problem. This year a joint assessment detailed the annual requirements for key commodities, as well as the most serious problems in the logistics and supply system. As a result of this assessment, the Government of Japan has now agreed to provide key commodities to meet national requirements and the MOH has decided to shift responsibility for HIV/AIDS commodity management from the National AIDS Control Program to the Pharmaceutical Supply Unit. USAID is already strengthening this supply unit through the field support project, "DELIVER". This shift is a major policy breakthrough that integrates management of HIV/AIDS-related commodities into the overall logistic system for essential drugs. USAID, other donors, and the MOH are currently building capacity in the national logistics and supply system to ensure a consistent and adequate supply of HIV/AIDS related commodities. In tandem with assistance to the public sector, USAID also continues to support social marketing in the commercial sector, where the target of 20 million condoms sold was exceeded this year. This is 50% of the total number of condoms distributed in Tanzania. This social marketing component targets people ages 15-49.

The Health SO has also contributed to the USAID Health Objective 1. Couple Years of Protection (CYP), the proxy indicator to monitor contraceptive use, exceeded the target for this year by 20%. However, this level was below last year's CYP. This decline reflects commodity supply problems, as well as management issues in the MOH unit

responsible for reproductive and child health. USAID plans to assess these management issues with a view to providing additional assistance in capacity building.

This past year USAID continued to be a major supporter of campaigns directed at children under the age of five to receive polio, measles and vitamin A, contributing to USAID Health Objective 14. Through these campaigns, close to 6 million Tanzanian children received two doses of vitamin A, 1.2 million received polio vaccine and 3.6 million received one dose of measles vaccine. Malaria remains a killer disease and a predominant complication of pregnancy, causing anemia and premature births. Following on the USAID-supported change in national malaria policy in 2002, USAID will expand its support for treatment of malaria in pregnant women, focussing on improving birth outcomes. The SO team also plans to launch a large-scale effort to expand access to and increase demand for syphilis screening. Currently, this screening is available in fewer than 10% of facilities offering prenatal care.

**Major Challenges:** Increasing donor resources are being provided as direct budget support to the Ministry of Health planning, budgeting, and procurement systems. This is creating problems in commodity supplies. Donors providing budget support are shifting out of commodity procurement and transferring responsibility for procurement to the government. Unfortunately, these government systems still have very limited capacity and are currently unable to provide adequate supplies of quality drugs. For example, this year there was a near complete stock-out of the depo provera injectable contraceptive, the most widely used contraceptive in Tanzania. Key donors shifted funds from procuring the contraceptive to direct budget support. The MOH was unprepared to fill the procurement gap and the country faced a complete stock-out. Fortunately, USAID was able to respond quickly and provide an emergency shipment of the contraceptive. Technical assistance is now being provided to the MOH to improve its ability to procure depo provera and other essential commodities. However, the broader issue of an increasing proportion of donor funds being shifted to direct budget assistance remains a major concern and may adversely affect USAID's health program in the future.

**Performance Management:** The largest single component of USAID's health and HIV/AIDS program is the Voluntary Sector Health Program (VSHP). The objective of the program is to build partnerships between NGOs, faith-based groups and district governments to improve HIV/AIDS and maternal and child health services. Small grants are provided to local NGOs and district councils along with technical assistance for planning and implementation. Started in 1999, by 2002 the program was to have provided over 100 grants to local NGOs working with district councils, reaching over 3 million beneficiaries. In 2001, it became clear that the program was not meeting projected targets. USAID, working with government counterparts, took steps to change the implementing partner and revitalize the program. The new program, begun in July 2001, is progressing well and making up for lost time. To date, NGO-district government partnerships have been established in 5 districts and will expand rapidly in the coming months. VSHP targets young people 15-24, pregnant women, and children less than 12 months.

Since 1997, USAID/T has worked closely with the MOH to strengthen its overall capacity, an important but slow-moving process. In view of the significant unused balance in the SO budget earmarked for the MOH, the Mission is in the process of identifying additional health partners in the public sector to help implement the program, as well as new ways to build MOH capacity.

### **Strategic Objective 3: Civil society and government are more effective partners in governance**

**Key Achievements:** In 2001, the Democracy and Governance Strategic Objective (DG SO) did not meet expectations as the launch of the flagship cooperative agreement with PACT was delayed to the end of the year. However, the SO was able to initiate several other new activities to support increased civic involvement in public affairs and a more open government process directly related to the DG Results Framework. These activities specifically targeted private-public partnerships in the Mission's Health and Natural Resource Management programs.

The Government of Tanzania (GOT) reached a significant policy reform milestone in 2001: the Cabinet endorsed the *National Policy on NGOs*, which empowers civil society to engage actively in policy formulation discussions and advocacy. USAID directly contributed to formulation of this Policy, which supports Agency Pillar IV: Objective 3. During the entire five years of negotiation, the DG program supported government-civil society discussions in Dar es Salaam, as well as two steering committee meetings in zones in the interior. USAID also participated actively in workshops with the government and civil society to ensure that all views were being heard. After approval, USAID assisted in printing and distributing the policy to ensure that all stakeholders were informed. In 2002, the DG program will provide training to selected NGOs in drafting and negotiating new legislation based on this Policy. This policy should benefit all of civil society.

The new movement against HIV/AIDS in Parliament is also a direct result of DG program assistance. In 2001, with USAID/T facilitation and financial support, over 100 Members of Parliament (MPs) joined together to form the Tanzania Parliamentary Aids Coalition (TAPAC). TAPAC's goals are to educate fellow MPs on HIV/AIDS, to promote and inform a national debate on policy and legislation, and to coordinate constituent level responses to fight the disease. These MPs also represent known points of access to Parliament for Civil Society Organizations (CSOs) concerned about HIV/AIDS issues. TAPAC actively supports government-CSO partnerships and is a major stakeholder in the coordinated national response to HIV/AIDS in Tanzania (see Health SO narrative).

Due in large measure to DG SO institutional support, the local NGO -- Lawyers Environmental Action Trust (LEAT) -- has become an effective advocate for environmental reform and is paving the way for other advocacy groups. In 2001, LEAT activities led to broad public debate on the lack of transparency in awards of international mining concessions, as well as the long-term environmental impact of large - scale mining operations. This year LEAT also led a public discussion on the failure of the Government to adhere to agreements made at the Rio Earth Summit. LEAT will continue to press forward on this issue, making a formal presentation of the Tanzanian situation at Rio+10 in Johannesburg in September 2002. LEAT will also continue to lobby for a comprehensive law to support long-term environmental protection.

**Major Challenges:** The progress towards democratization and improved governance in Tanzania was mixed in 2001 and continues to challenge progress under the DG SO. On the one hand, Parliament is speaking out on issues more publicly than in the recent past. On the other hand, the Speaker recently announced -- based on an obscure statute --that due to its limited numbers, there would no longer be a recognized opposition in Parliament. If this order stands, opposition views will be denied formal representation, and the spirit -- if not the letter -- of multi-party politics will be in jeopardy. USAID is currently supporting a formal assessment of Parliament to identify possible activities to strengthen parliamentary oversight of the executive branch, and to link current civil society advocacy activities to the legislature.

In terms of civil society, Cabinet approval of the NGO Policy is a major milestone in civil rights. However, recent government actions to restrain NGOs from speaking out on alleged infringement of small miners' rights are in opposition to the newly approved policy. The Government's commitment to tackle corruption at the highest levels is also mixed. During 2001, Tanzanians reacted positively when Parliament voted out of office a Minister accused of malfeasance. But this reaction was muted when the matter was dropped, the Minister in question was not prosecuted, and a person with a past of alleged corruption was chosen as a replacement. In the governance area, the SO team will provide support to the Prevention of Corruption Bureau. It will sponsor training in investigation and prosecution for 430 district-level staff to strengthen their ability to bring perpetrators of corruption to justice.

Faced with a large pipeline, the DG team accelerated implementation in 2001. It supported DG activities in health, including an NGO-government joint assessment of changes needed in laws affecting HIV/AIDS victims, and the



creation of a parliamentary coalition on HIV/AIDS (see above). For the NRM program, it supported the World Resource Institute (WRI) to assist communities and NGOs to advocate for conservation – both locally and nationally. At the end of the year, the DG SO awarded a cooperative agreement to PACT to implement a significant portion of the program. As PACT moves into full implementation over the next 12 months, the pipeline will be reduced to comply with Agency guidelines. The SO team and PACT have identified indicators and will undertake baseline surveys and set targets this spring. A complete PMP will be in place by May 31<sup>st</sup> 2002.

**Performance Management:** Over the past year, Ministry of Finance staff expressed increasing concern to donors on two issues: the need for greater government ownership and participation in decision making on new activities; and, the large number of expatriates implementing technical assistance programs. These GOT concerns required protracted and high level discussions and meetings with government counterparts before consensus was reached for USAID's award to PACT. These discussions helped to build an understanding of the longer-term objectives of the program – increased capacity for Tanzanian institutions – which would alleviate needs for expatriates in the future. Using the successful model established by the NRM SO, the DG program is setting up an expanded DG Strategic Objective team -- comprised of representatives from civil society and the government -- to ensure adequate consultation and joint decision-making.

The political process in Zanzibar is at a historic juncture. After a flawed election in 2000, and violent conflict in early 2001, the ruling and major opposition parties are making concrete progress towards peace and reconciliation. It is vitally important to the long-term economic growth and prosperity of the country that this conflict be resolved. The Mission has been continually assessing the situation to take advantage of this unique opportunity to promote an environment for greater civil society and private sector involvement in government decision-making. In conjunction with the US Embassy, USAID/T plans to support a package of electoral reforms and other carefully targeted DG activities with combined Development Assistance (DA) and Economic Support Fund (ESF) resources.

## **Strategic Objective 8: Improved conservation of wildlife and coastal resources in target areas**

**Key Achievements:** The Mission's natural resource management (NRM) SO met expectations as it contributed to the Agency's Pillar II: USAID Objective 5. In 2001, 80,000 hectares (ha.) were brought under sustainable conservation management and an additional 152,000 ha. are projected to be added in 2002. The program benefits the global environment by safeguarding biological diversity, and environmental tourism contributes significantly to the growth of the economy. Important milestones were reached in three key areas: community-based conservation, coastal resource conservation, and protected area management. Prospects for continued program progress are also extremely encouraging.

A key program focus, Community-Based Conservation (CBC), is essential for long-term conservation of Tanzania's vital coastal and wildlife resource base. With USAID support, significant progress was made in both national policy reform and community engagement. Tanzania took major steps to incorporate Wildlife Management Areas (WMAs) as a key feature of its conservation policy. A WMA is a new and progressive form of land use that empowers local communities to manage and benefit directly from wildlife resources on village lands. This year, following a long process of consultation supported by USAID, the Tanzania Government endorsed the *WMA Guidelines*, and drafted enforceable *WMA Regulations*, which are currently before the Attorney General for approval. In anticipation of these Regulations - expected early in 2002 - the Mission has launched a major new cooperative agreement with the World Wildlife Fund that will support community-led WMA initiatives in 5-10 pilot areas. Success of these pilots will be critical for both local and national level buy-in to the "WMA approach" to CBC.

USAID met with continued success using other CBC approaches in the Tarangire and Ugalla ecosystems. In Tarangire, nine rural communities have negotiated profitable partnerships with the private sector. For example, the village of Mwada signed a five-year agreement with Kibo Safaris for exclusive access to 2,000 acres of land. The community of Mwada (380 households) is responsible for conservation management of the land under lease. In return -- in addition to substantial fees paid by Kibo -- new jobs have been created and there have been significant improvements to clinics, schools and water facilities in the community. Also this year, nearly 6,000 farmers in three districts surrounding the Ugalla Game Reserve benefited from training in sunflower cultivation, producing 40,000 liters of oil, and grossing over \$30,000 in additional income.

Over the past year, the NRM SO created partnerships with other USAID programs to broaden support for CBC programs. Collaboration with the Mission's Private Sector program reinforced three CBC activities with significant microenterprise components, including grants to Tuskegee University; Africare; and African Wildlife Foundation (AWF). In this way, the NRM SO will strengthen the linkage between conservation and economic development, and bolster results for both SOs. A new grant to AWF from the EGAT/ENV Global Conservation Program is providing critical complementary support to the Tanzania Land Conservation Trust (TLCT), a first-of-its-kind institution in Tanzania which acquires and manages land for conservation. This year, the TLCT acquired Manyara Ranch, a main wildlife corridor within the Tarangire ecosystem. The TLCT also initiated dialogue with a U.S. investor for development of a safari camp on the ranch that could generate some \$85,000 annually for neighboring Maasai communities. Finally, the NRM SO is partnering with AFR/SD to conduct an assessment of the CBC experience in Tanzania. The assessment will produce and test a guide of best practices for use by NRM practitioners throughout Tanzania.

USAID/T's coastal activities also made outstanding progress on several fronts. This year, Tanzania launched the *State of the Coast* report. This report, which describes coastal economic and ecological trends, will help to inform local and national management decisions. Local environmental education continued in coastal areas with the highly successful Coastal Environmental Awards Scheme (CEAS). This popular outreach campaign targets local inhabitants -- as well as local government -- to improve the coastal environment. This year, communities in eight districts competed for prizes awarded for improvement of their coastal environment. Over 53,000 people (one-half women) participated, twice the number that participated last year. As a tool to expand environmental awareness, promote local NRM investments, and share information on Tanzania's coastal policy, the CEAS is a proven high impact, low-cost activity. In recognition of its value, the CEAS program will be expanded to all 13 coastal districts in 2002, and a "terrestrial" version will be adopted by CBC partners in the Tarangire and Ugalla ecosystems.

2001 also saw the launch of the SO's new Coastal Tourism Initiative. Coastal tourism offers Tanzania an excellent means to diversify its tourism market that has relied primarily on wildlife resources (with 90% of tourists taking part in wildlife tourism or hunting safaris). The Coastal Tourism Initiative will unite stakeholders to develop plans for district-level tourism and promote local investment in tourism. In addition, several potential investors have responded to the *Mariculture Investment Guidelines* promulgated last year. To augment NRM resources and spur small enterprise growth, the Mission's Private Sector program plans to launch an activity to capitalize on new mariculture opportunities by providing support to some 5,000 local seaweed producers.

For Tarangire and Lake Manyara National Parks, improved management and infrastructure are paying huge dividends in terms of both ecosystem health and park revenues. Aerial counts of Tarangire elephants this year (1,523) suggest continued ecological stability, though elephant poaching remains a problem in some areas. Once again, as in past years, both parks attained record revenues in 2000/2001 (July – June Tanzanian fiscal year). Visitors to Lake Manyara and Tarangire National Parks increased by 7.5%, while revenues grew by 11.4%, to over 2.37 billion Tanzania Shillings (approximately \$2.9 million). These funds are channeled to the government to strengthen the entire national parks system. However, preliminary data for the first half of 2001/2002 show marked reductions in post-September 11 tourist numbers, with visitors down 14% and revenue down 19%. While it is still too early to forecast, the Mission anticipates that 2001/2002 visitors and revenues will be down on the order of 20% primarily as a result of the terrorist attacks of September 11<sup>th</sup>.

The NRM SO has also partnered with the Mission's Democracy and Governance (DG) SO to promote environmental advocacy to encourage sound management. This year, two partner organizations, the Journalists' Environmental Association of Tanzania and the Legal and Human Rights Centre, embarked on campaigns to promote transparency and accountability by GOT agencies in management of wildlife resources in protected areas. While these campaigns can create tensions in the short run, over the long-term increases in accountability of government agencies will help secure a sustainable future for Tanzania's wildlife.

**Major Challenges:** The NRM SO is performing very well. However, successive annual funding decreases have forced the Mission to narrow the scope of the SO. While partnerships with the Mission DG and Private Sector programs have alleviated some budgetary pressure, the SO team has had to reduce program expenditures and lower targets for several performance indicators. For example, lack of funding made it necessary to curtail plans for a social marketing campaign to build environmental awareness nationwide. If funding continues at low levels, the Mission will be forced to reduce expenditures by an additional 30% over the next two years.

Donor coordination on environmental issues remains excellent and USAID/T is at the forefront. USAID now chairs both the Environment Sector donor group and the Wildlife Donor Forum. With initiation of its new wildlife policy implementation program, USAID has also taken the lead in coordinating application of WMAs. The SO's coastal resource conservation program, the Tanzania Coastal Management Partnership, continues to provide national-level coordination by uniting multiple donor-funded initiatives under a common ICM approach. As a result, USAID Tanzania's influence and impact on Tanzania's environment sector goes far beyond its modest – and shrinking – program.

## **Strategic Objective 9: Increased participation of micro and small enterprises (MSEs) in the economy.**

**Key Achievements:** The Private Sector SO met expectations in 2001, the first year of implementation under the revised strategy. Notable results were achieved in the areas of improved policy environment and strengthened MSEs, setting the stage for successful program implementation in coming years.

On April 9, 2001, President Mkapa launched the Tanzania National Business Council (TNBC), a high-level public-private sector consultative mechanism. The President challenged the TNBC to address taxation issues affecting businesses and to represent fairly the interests of micro and small enterprises (MSEs). The World Bank and IMF have since selected the TNBC to host Investor Roundtables, which will periodically bring members of U.S. corporations to Tanzania to assess the investment climate and provide guidance to local businesses. The establishment of the TNBC was a main objective of the Tanzania Private Sector Foundation, established in 1999 and strengthened in 2000 and 2001 with USAID support. USAID will continue to monitor the functioning and impact of the TNBC as one means of private sector input into public policy decisions, affecting the business and investment climate in Tanzania.

In the June 2001 budget, the GOT finally eliminated the requirement for MSEs to pre-pay estimated annual taxes as part of formal licensing and registration procedures. This pre-payment tax penalty had been a major disincentive for MSEs to join the formal economy. Its elimination will benefit MSEs throughout the country. In providing technical assistance to the Policy and Research Division of the Tanzania Revenue Authority (TRA) over several years, USAID/T strongly promoted the removal of this provision. As result of USAID-supported training, the Policy and Research Division became recognized as the premier policy research unit in the government and was able to conduct its own analysis of this tax penalty. It recommended elimination of the penalty for MSEs in conjunction with the establishment of the new Tax Identification Number (TIN) system, which introduces a systematic approach for post-sales tax collection. Also starting in 2001, the TRA has refocused efforts to collect taxes from large businesses instead of the MSEs. The USAID-supported Internal Revenue Service (IRS) activity with the Tax Investigations Department of the TRA has been training staff to conduct and promote criminal investigations as a means of increasing tax revenues from these large firms.

The Government of Tanzania finalized its *SME Policy* and submitted it to Parliament for approval late in 2001. *The SME Policy* confirms government's official position that the private sector is the engine of growth for the Tanzania economy, that over 90% of the business sector in Tanzania is comprised of micro, small and medium size enterprises, and that government's proper role is to facilitate growth of the sector. The policy was developed over a two-year period by a steering committee that included USAID and DFID as donor representatives. USAID/T's financial support expedited a series of nationwide stakeholder workshops for recommending and endorsing final revisions to the draft policy. This policy will provide recognition and benefits to MSEs nationwide.

In 2001, USAID/T funded the rehabilitation of 160 miles of rural roads in six districts, and the construction of 26 bridges in 12 districts. This adds to a total of 530 miles of rural roads rehabilitated in 23 districts, and 107 bridges constructed since the inception of the program in 1998. With the completion of the third year of the Rural Roads program, the training component is emerging as the most noteworthy activity. In response to recent decentralization of responsibility for road rehabilitation and maintenance to the district-level, the six-week training course builds local capacity and empowers district councils in the procurement and administration of private sector construction contracts. In 2001, 280 district-level council members, executive directors, treasurers, planning officers and engineers benefited from USAID/T-supported courses adding to a total of 649 trained since 1998. Other donors involved in road rehabilitation have expressed interest in incorporating USAID's training model into their roads programs. USAID/T plans to assess the replicability of this training in a formal evaluation of the Rural Roads program scheduled for June 2002. Results of the evaluation will inform decisions on the role of rural roads in the new Country Strategic Plan, which will begin in 2005.

The Social Action Trust Fund (SATF) -- which USAID/T co-founded with the GOT and capitalized in 1996 -- continued to flourish this past year. In 2001, the SATF approved approximately US \$ 3 million in loan investments, a 50% increase over 2000. The new projects cover education, hotels, floriculture, a hatchery, fruit processing and imports/exports, and are estimated to have created at least 358 new jobs. Of the 2001 operating profit of approximately US \$880,000, 44% will be used for education grants for AIDS orphans. This Trust Fund is the largest in Africa supporting AIDS orphans. USAID/T is undertaking an evaluation of Trust Fund operations and

depending on the results, may provide additional capital to allow the Fund to increase lending to micro- and small enterprises, as well as reach out to more AIDS orphans throughout the country. Other donors are also looking at the SATF as a model for getting resources to rural areas for poverty reduction.

An example of a small business assisted by SATF is Foot Loose Handicrafts, a family run business that deals with local and export markets for carvings, paintings, and batik textiles. With a US \$110,000 working capital loan, Foot Loose has taken advantage of the African Growth and Opportunity Act (AGOA) facility to gain an initial export order to the United States of \$330,000. Foot Loose expects these orders to increase to \$700,000 over the next 12 months. Foot Loose buys 85% of its goods from a cooperative called the Mothers Employment Group (MEG), which networks with women's entrepreneurs around the country. This one US export order has created 208 jobs for people in nine cities.

**Major Challenges:** The private sector program is working to reduce a large pipeline that developed as the revised strategy was being prepared and new starts were put on hold. The private sector team has expedited the start-up of new IRS and tax/mining policy activities, as well as microenterprise projects with TechnoServe and EnterpriseWorks in 2001. The TechnoServe program is particularly interesting as it will leverage resources from U.S. private firms such as Starbucks, Peet's Coffee & Tea, General Mills, and Cargill in direct support of the Global Development Alliance (GDA). In addition, the private sector program co-funded natural resources management activities with Africare, African Wildlife and Tuskegee/Sokoine Universities to strengthen the microenterprise components of these programs.

The Mission has had difficulty nailing down measurable indicators of progress for this program, as the database in Tanzania is extremely weak. The team has been able to measure impacts on enterprises and entrepreneurs receiving direct assistance from program activities but has not been able to report quantifiable results relating to the trade intermediate result (IR) or at the strategic objective level. USAID is working with EGAT and REDSO to revalidate the Results Framework and put a new PMP in place by May 31<sup>st</sup>, 2002.

**SPO1: Special Objective 1: Suffering of Tanzania bomb victims reduced and local disaster responsiveness enhanced.**

**Key Achievements:** This Special Objective met expectations in 2001 as educational support for children of bomb victims was provided, reconstruction of buildings destroyed in the bombing neared completion and significant progress was made towards strengthening Tanzania disaster preparedness and response capabilities.

Separate grants to six families with 18 children eligible for educational support were made this past year. These grants will reimburse the families for school fees and other related costs for the 2000, 2001, and 2002 school years. A mechanism to continue to provide educational assistance from 2003 through 2017 was put in place in early 2002. With this long-term mechanism now in place, this Special Objective component of direct assistance for bomb victims is completed.

Over the past year, USAID made progress on the one remaining office building and two houses that were completely destroyed by the bomb. The construction of these new buildings is over 50% completed. The handing over, scheduled for 2002, will mark the completion of this second component for the rehabilitation of damaged buildings.

Work on the third component to strengthen Tanzania disaster preparedness and response capabilities began in earnest early last year. A grant to John Hopkins University is providing assistance to the Disaster Management Department in the Prime Minister's Office, to the Emergency Preparedness and Response Unit in the Ministry of Health and to the Tanzania Red Cross Society. An agreement with the United States Center for Disease Control (CDC) is providing additional assistance to the Ministry of Health. For the Disaster Management Department, a draft National Disaster Management policy has been formulated, National Operational Guidelines have been drafted and a curriculum for Disaster Management Training has been developed. A curriculum for emergency medical treatment has been drafted and a list of emergency medical equipment has been prepared for the Ministry of Health. Finally, the Tanzanian Red Cross Society has updated its First Aid curriculum and completed the training of trainers for this program. Progress on this third component of the Special Objective is on track with completion scheduled for September 2003.

**Major Challenge:** The major challenge over the past two years has been identifying a suitable mechanism for providing long-term education assistance for the children of bomb victims. The assistance requires a reasonable level of oversight to confirm that the children are enrolled and attending school, and to ensure that expenses are at reasonable costs from legitimate sources. However, the total estimated costs of \$200,000 are low compared to the potential costs of oversight. These requirements made it difficult to identify a reliable and capable organization willing to take responsibility for the assistance and able to expend the funds before the end date of September 2003. Finally, in late 2001 the USAID Regional Legal Advisor gave the Mission approval to proceed with an innovative fund swap arrangement with local NGOs. This effort resulted in a grant for long-term education assistance signed with the Social Action Trust Fund (SATF) early in 2002.

**Annual Report Part IV: FY 2001 Performance Tables and Results Frameworks**

Table 1: Annual Report Selected Performance Measures

December 3, 2001

Indicator (all data should pertain to FY or CY 01)		OU Response			Fund Account	Data Quality Factors
Pillar I: Global Development Alliance: GDA serves as a catalyst to mobilize the ideas, efforts, and resources of the public sector, corporate America and non-governmental organizations in support of shared objectives						
1	Did your operating unit achieve a significant result working in alliance with the private sector or NGOs?	Yes	No	N/A		Signed grant with Technoserve
2	a. How many alliances did you implement in 2001? (list partners)  b. How many alliances do you plan to implement in FY 2002?					
3	What amount of funds has been leveraged by the alliances in relationship to USAID's contribution?					
Pillar II: Economic Growth, Agriculture and Trade: USAID works to improve country economic performance using five approaches: (1) liberalizing markets, (2) improving agriculture, (3) supporting microenterprise, (4) ensuring primary education, and (5) protecting the environment and improving energy efficiency.						
4	If you have a Strategic Objective or Objectives linked to the EGAT pillar, did it/they exceed, meet, or not meet its/their targets?	Exceed	Met	Not Met		NRM Program (5), Private Sector Program (3)
USAID Objective 1: Critical, private markets expanded and strengthened						
5	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A		
USAID Objective 2: More rapid and enhanced agricultural development and food security encouraged						
6	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A		
USAID Objective 3: Access to economic opportunity for the rural and urban poor expanded and made more equitable						
7	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A		Tax reform: Prepayment penalty abolished



Indicator (all data should pertain to FY or CY 01)		OU Response		Fund Account	Data Quality Factors
USAID Objective 4: Access to quality basic education for under-served populations, especially for girls and women, expanded					
8	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A	
9	a. Number of children enrolled in primary schools affected by USAID basic education programs (2001 actual)  b. Number of children enrolled in primary schools affected by USAID basic education programs (2002 target)	Male	Female	Total	
USAID Objective 5: World's environment protected					
10	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A	
11	a. Hectares under Approved Management Plans (2001 actual)  b. Hectares under Approved Management Plans (2002 target)	380,000 HA  532,000 HA			
Pillar III: Global Health: USAID works to: (1) stabilize population, (2) improve child health, (3) improve maternal health, (4) address the HIV/AIDS epidemic, and (5) reduce the threat of other infectious diseases.					
12	If you have a Strategic Objective or Objectives linked to the Global Health pillar, did it/they exceed, meet, or not meet its/their targets?	Exceed	Met	Not Met	VCT Clients - 9,396; Ishi Campaign - 80,000 youth directly reached; Condoms sold - 20,177,856
USAID Objective 1: Reducing the number of unintended pregnancies					
13	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A	CYP 1,288,430.5; Safe plan 131,580 cycles - 96% target
USAID Objective 2: Reducing infant and child mortality					
14	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A	5.8 million children < 5 received 2 doses of Vitamin A; 1.2 million children < 5 vaccinated against polio; 3.6 million < 15 vaccinated against measles

Indicator (all data should pertain to FY or CY 01)		OU Response		Fund Account	Data Quality Factors
USAID Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth					
15	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A	Syphilis screening & treatment; Treatment of malaria in pregnancy planned for 2002
USAID Objective 4: Reducing the HIV transmission rate and the impact of HIV/AIDS pandemic in developing countries					
16	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A	Ishi campaign; VCT clients; Condoms sold; HIV/AIDS commodity management/psu; New VHSP & VCT programs on the ground
USAID Objective 5: Reducing the threat of infectious diseases of major public health importance					
17	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A	Malaria treatment guidelines released; Orientation packages for syphilis & malaria
Pillar IV: Democracy, Conflict and Humanitarian Assistance					
18	If you have a Strategic Objective or Objectives linked to the Democracy, Conflict and Humanitarian Assistance Pillar, did it/they exceed, meet, or not meet its/their targets?	Exceed	Met	Not Met	PMP to be in place 05/31/02; Cooperative Agreement signed 11/01
USAID Objective 1: Rule of law and respect for human rights of women as well as men strengthened					
19	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A	
USAID Objective 2: Credible and competitive political processes encouraged					
20	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A	
USAID Objective 3: The development of politically active civil society promoted					
21	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A	National NGO Policy formally approved

Indicator (all data should pertain to FY or CY 01)	OU Response			Fund Account	Data Quality Factors
USAID Objective 4: More transparent and accountable government institutions encouraged					
22 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A		
USAID Objective 5: Conflict					
23 Did your program in a pre-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A		
24 Did your program in a post-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A		
25 Number of refugees and internally displaced persons assisted by USAID	Male	Female	Total 500,000		Food aid through WFP
USAID Objective 6: Humanitarian assistance following natural or other disasters					
26 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A		SPO1 - Bombing Special Objective: Buildings restored; educational grants awarded.
27 Number of beneficiaries	Children(18); individual residents (1); parastatal buildings (3).				

**Table 2: Selected Performance Measures for Other Reporting Purposes**

The information in this table will be used to provide data for standard USAID reporting requirements

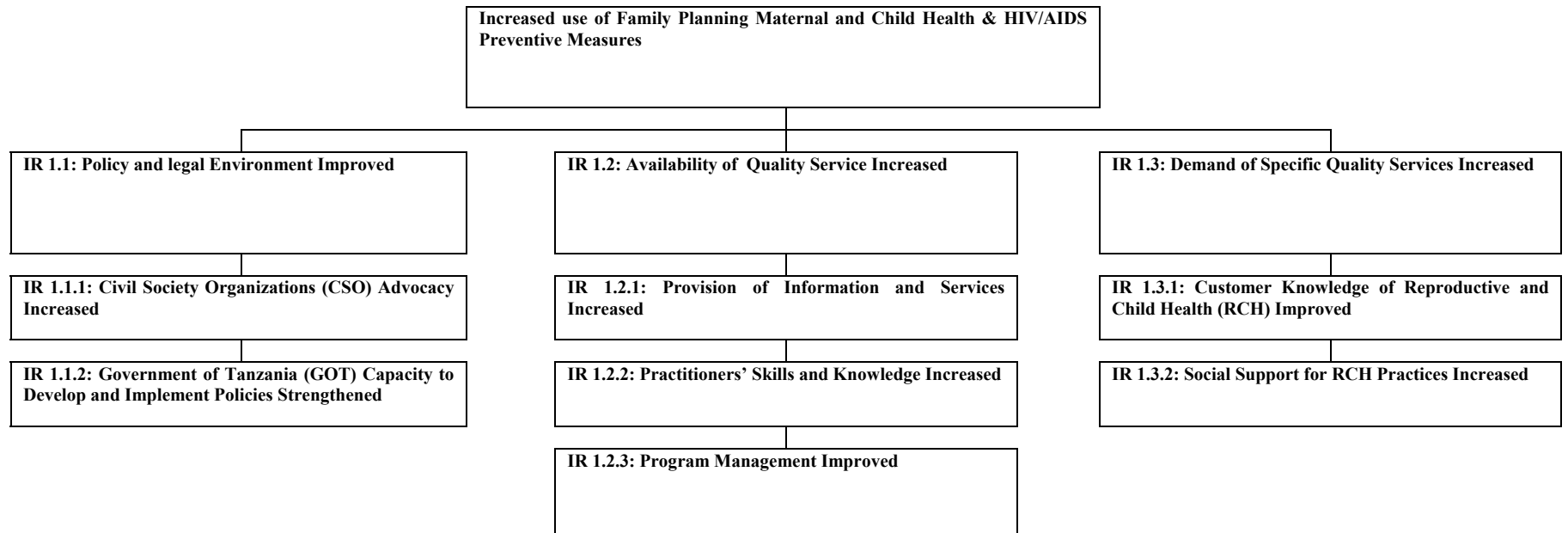
Indicator (all data should pertain to FY or CY 01)	OU Response	Fund Account	Data Quality Factors		
Child Survival Report					
Global Health Objective 1: Reducing the number of unintended pregnancies					
1	Percentage of in-union women age 15-49 using, or whose partner is using, a modern method of contraception at the time of the survey. (DHS/RHS)	15.6 (1999)			
Global Health Objective 2: Reducing infant and child mortality					
2	Percentage of children age 12 months or less who have received their third dose of DPT (DHS/RHS)	Male 83.1	Female 78.2	Total 81	Note: Children aged 12-23 months
3	Percentage of children age 6-59 months who had a case of diarrhea in the last two weeks and received ORT (DHS/RHS)	Male 55.2	Female 54.4	Total 54.8	
4	Percentage of children age 6-59 months receiving a vitamin A supplement during the last six months (DHS/RHS)	Male 12.2	Female 15.5	Total 13.9	
5	Were there any confirmed cases of wild-strain polio transmission in your country?	NO			
Global Health Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth					
6	Percentage of births attended by medically-trained personnel (DHS/RHS)	36%			
Global Health Objective 5: Reducing the threat of infectious diseases of major public health importance					
7	a. Number of insecticide impregnated bed-nets sold (Malaria) (2001 actual)	107,000			
	b. Number of insecticide impregnated bed-nets sold (Malaria) (2002 target)	117,590			
8	a. Proportion of districts implementing the DOTS Tuberculosis strategy (2001 actual)				
	b. Proportion of districts implementing the DOTS Tuberculosis strategy (2002 target)				

HIV/AIDS Report					
Global Health Objective 4: Reducing the HIV transmission rate and the impact of HIV/AIDS pandemic in developing countries					
9	a. Total condom sales (2001 actual)	20,177,856			
	b. Total condom sales (2002 target)	20,200,000			
10	a. Number of individuals treated in STI programs (2001 actual)	Male	Female	Total	
	b. Number of individuals treated in STI programs (2002 target)				
11	a. Is your operating unit supporting an MTCT program?	NO			
	b. Will your operating unit start an MTCT program in 2002?	NO			
12	a. Number of individuals reached by community and home based care programs (2001 actual)	Male	Female	Total 48	VSHP program will be involved with orphans and home based care and support
	b. Number of individuals reached by community and home based care programs (2002 target)				
13	a. Number of orphans and vulnerable children reached (2001 actual)	Male	Female	Total 67	
	b. Number of orphans and vulnerable children reached (2002 target)				
14	a. Number of individuals reached by antiretroviral (ARV) treatment programs (2001 actual)	Male N/A	Female	Total	
	b. Number of individuals reached by antiretroviral (ARV) treatment programs (2002 target)	N/A			

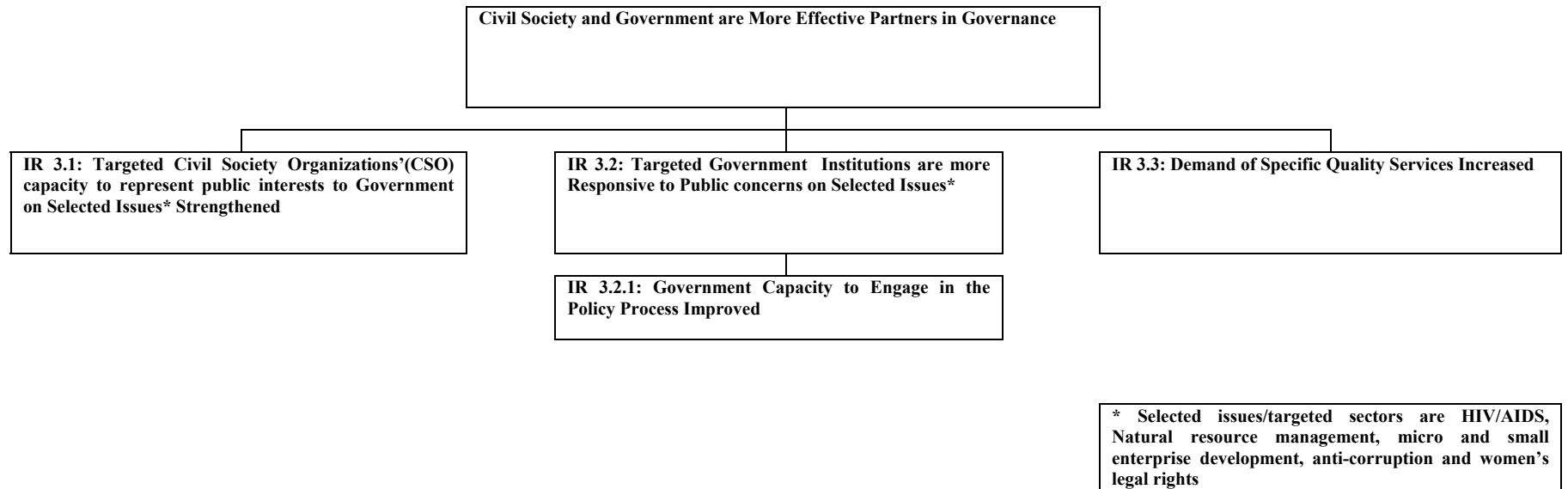
Victims of Torture Report					
Democracy, Conflict, and Humanitarian Assistance Objective 7: Providing support to victims of torture					
15	Did you provide support to torture survivors this year, even as part of a larger effort?				
16	Number of beneficiaries (adults age 15 and over)	Male	Female	Total	
17	Number of beneficiaries (children under age 15)	Male	Female	Total	

Global Climate Change			
USAID Objective 5: World's environment protected			
18	Global Climate Change: See GCC Appendix		

**SO 1: Results Framework**

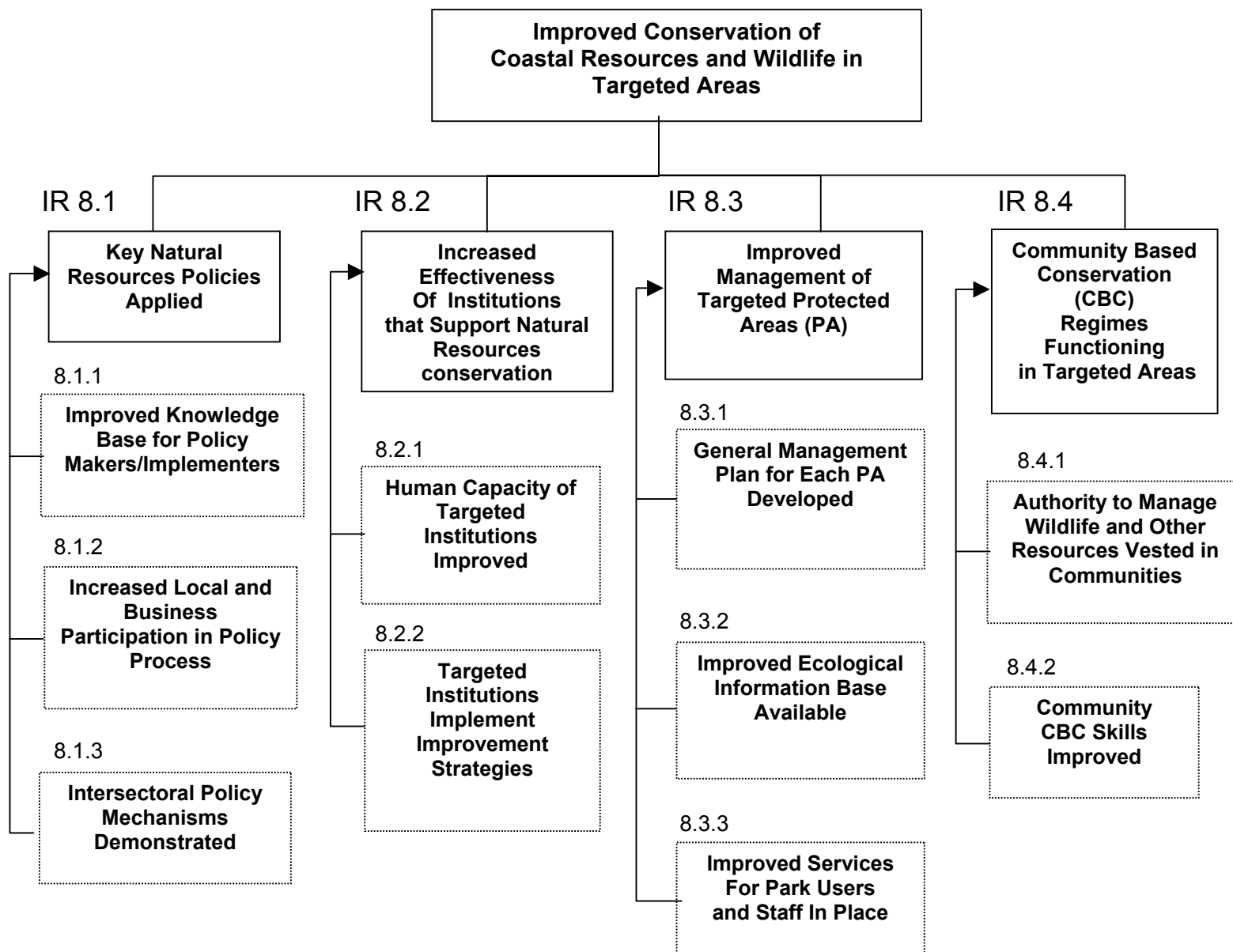


**SO 3: Results Framework**

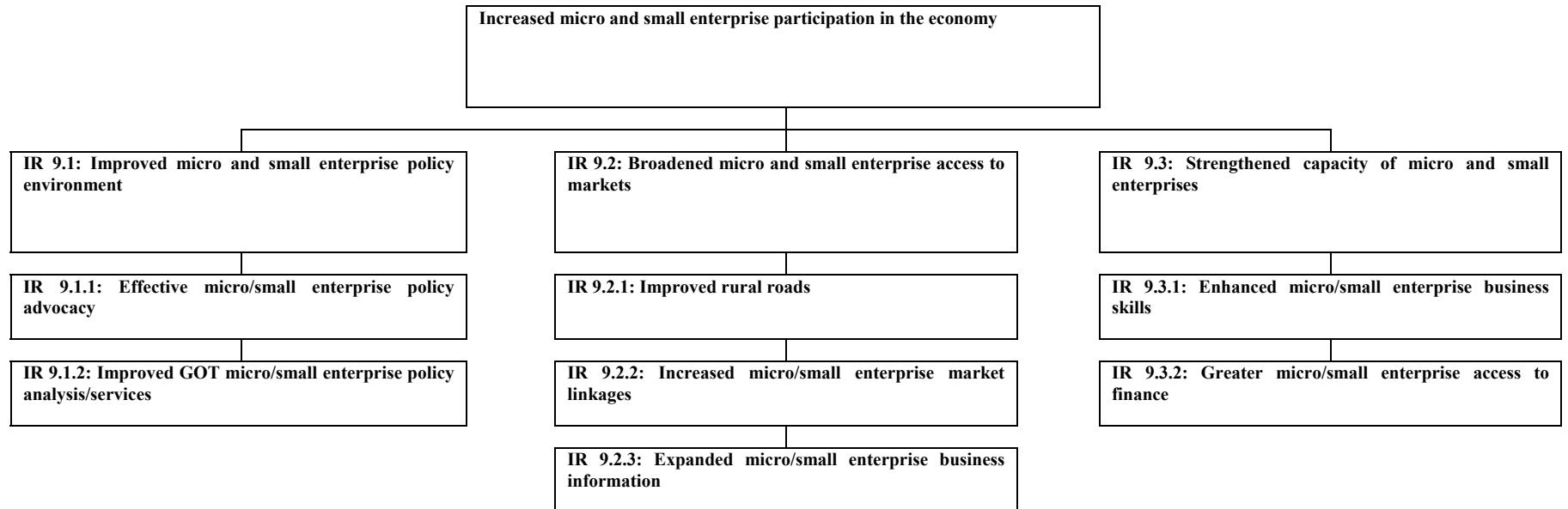




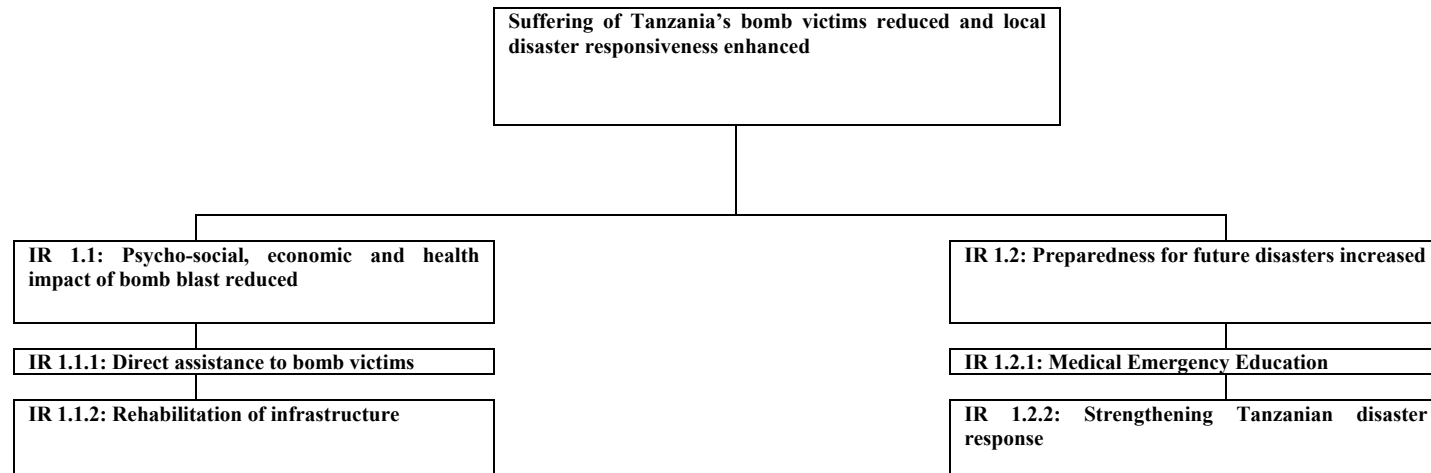
## SO 8: Results Framework



**SO 9: Results Framework**



**SPO 1: Results Framework**



## Annual Report Part VII: Environmental Compliance

**Environment Compliance Actions for FY 2002.** Two IEE amendments may be required: (1) SO1 IEE (should insecticide-treated nets [ITNs] be funded by SO1); and (2) SO9 IEE (depending on the nature of SO9 mining sector reform activities). REA assistance on both amendments may be required. All other actions involve routine compliance monitoring and environmental screening.

**USAID/Tanzania Environmental Compliance Status.** All USAID/Tanzania activities are in compliance with their corresponding IEEs.

**Summary Table.** The following table summarizes information pertinent to Mission compliance with Agency Environmental Procedures.

**Table: USAID/Tanzania Environmental Compliance Status**

Objective/ Activity	FY 2001 Compliance Status	FY 2002 Compliance Actions	Comments
<b>SO1: Increased Use of Family Planning/Maternal Child Health and HIV/AIDS Preventive Measures</b>			
SO1 SOAG	5/20/99 SOAG IEE (Amended 8/23/00): Cat Ex, Neg Det w/Cond.	<u>REO/BEO</u> : Assist/approve amendment to IEE if ITN funding opted. (6/02)  <u>MEO</u> : IEE Compliance monitoring; environmental screening (ongoing).	SOAG IEE covers all SO activities;  <i>No outstanding issues.</i>
<b>SO2/8: Improved Conservation of Coastal Resources and Wildlife in Target Areas</b>			
SO2 SOAG	6/18/99 SOAG IEE (Amended 7/27/00): Cat Ex; Neg Det w/Cond; Pos Det (PEA for Pos Det 5/01)	<u>MEO</u> : IEE Compliance monitoring; environmental screening (ongoing).	SOAG IEE covers all SO activities;  Programmatic Environmental Assessment for roads work in national parks completed (5/01)  <i>No outstanding issues.</i>
<b>SO3: Civil Society &amp; Government are More Effective Partners in Governance</b>			
SO3 SOAG	8/4/00 SOAG IEE: Cat Ex.	<u>MEO</u> : IEE Compliance monitoring (ongoing);	SOAG IEE covers all SO activities.  <i>No outstanding issues.</i>
<b>SO9: Increased Micro- and Small-Enterprise Participation in the Economy</b>			
Private Sector Program	4/12/00 PSP IEE: Cat Ex; Neg Det w/Cond;	<u>REO/BEO</u> : Assist/approve possible PSP IEE for mining policy activities. (6/02)	PSP IEE covers all SO activities except ATAP.
Agricultural Transport Assistance Program	8/10/98 ATAP IEE: Cat Ex; Neg Det w/Cond.	<u>MEO</u> : IEE Compliance monitoring (ongoing).	ATAP IEE covers all roads program activities.  <i>No outstanding issues.</i>
<b>SPO6: Suffering of Tanzania Bomb Victims Reduced and Local Disaster Responsiveness Enhanced</b>			
SPO6 SOAG	3/23/99 SPO IEE: Cat Ex, Neg Det w/Cond.	<u>MEO</u> : Compliance monitoring (ongoing).	SPO IEE covers all SPO activities.  <i>No outstanding issues</i>